

**INSURANCE REGULATORY TRUST FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006**

	June-06					March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Ended 6/30/2006 Net	Ended 6/30/2006 Net
<b>LARGE CAP DOMESTIC EQUITY</b>																					
<i>Structured Growth</i>																					
Los Angeles Capital	79,011	2.1%	2.3%	-2.57%	0.29%	31,592	2.2%	2.3%	4.95%	32,362	2.4%	2.3%	3.06%	70,117	2.3%	2.3%	5.45%	11.12%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>79,011</b>	<b>2.1%</b>	<b>2.3%</b>	<b>-2.57%</b>	<b>0.29%</b>	<b>31,592</b>	<b>2.2%</b>	<b>2.3%</b>	<b>4.95%</b>	<b>32,362</b>	<b>2.4%</b>	<b>2.3%</b>	<b>3.06%</b>	<b>70,117</b>	<b>2.3%</b>	<b>2.3%</b>	<b>5.45%</b>	<b>11.12%</b>	<b>7.56%</b>	<b>12.01%</b>	<b>-0.32%</b>
<i>Russell 1000 Growth</i>				-3.90%	-0.39%				3.09%				2.98%				4.01%	6.12%	1.68%	8.35%	-0.76%
<i>Structured Value</i>																					
LSV	84,313	2.3%	2.3%	1.25%	1.12%	32,711	2.3%	2.3%	6.54%	31,348	2.3%	2.3%	1.52%	70,601	2.3%	2.3%	5.06%	15.05%	18.35%	21.14%	12.22%
<i>Russell 1000 Value</i>				0.59%	0.64%				5.93%				1.27%				3.88%	12.10%	14.06%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>																					
LA Capital	154,389	4.2%	4.5%	-2.36%	0.55%	58,627	4.2%	4.5%	4.96%	64,286	4.7%	4.5%	2.29%	140,041	4.6%	4.5%	6.45%	11.58%	7.93%	N/A	N/A
<i>Russell 1000</i>				-1.66%	0.13%				4.49%				2.12%				3.95%	9.08%	7.92%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																					
Westridge	181,613	4.9%	4.5%	-1.40%	0.15%	68,288	4.8%	4.5%	4.26%	66,870	4.9%	4.5%	2.10%	135,590	4.5%	4.5%	3.64%	8.77%	6.58%	N/A	N/A
<i>S&amp;P 500</i>				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	N/A	N/A
<i>Index</i>																					
State Street	56,166			-0.58%	1.06%	20,942			4.19%	20,520			2.07%	44,920			3.58%	9.51%	6.27%	11.47%	2.62%
<b>Total Index</b>	<b>56,166</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-0.58%</b>	<b>1.06%</b>	<b>20,942</b>	<b>1.5%</b>	<b>1.5%</b>	<b>4.19%</b>	<b>20,520</b>	<b>1.5%</b>	<b>1.5%</b>	<b>2.07%</b>	<b>44,920</b>	<b>1.5%</b>	<b>1.5%</b>	<b>3.58%</b>	<b>9.51%</b>	<b>6.27%</b>	<b>11.47%</b>	<b>2.62%</b>
<i>S&amp;P 500</i>				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>555,493</b>	<b>15.0%</b>	<b>15.0%</b>	<b>-1.39%</b>	<b>0.51%</b>	<b>212,159</b>	<b>15.1%</b>	<b>15.0%</b>	<b>4.88%</b>	<b>215,385</b>	<b>15.7%</b>	<b>15.0%</b>	<b>2.20%</b>	<b>461,269</b>	<b>15.1%</b>	<b>15.0%</b>	<b>4.97%</b>	<b>10.95%</b>	<b>8.89%</b>	<b>13.63%</b>	<b>3.95%</b>
<i>S&amp;P 500</i>				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
<b>SMALL CAP DOMESTIC EQUITY</b>																					
<i>Manager-of-Managers</i>																					
SEI	183,156	5.0%	5.0%	-5.84%	-0.45%	72,778	5.2%	5.0%	13.24%	72,778	5.3%	5.0%	0.98%	153,233	5.0%	5.0%	5.49%	13.58%	9.32%	18.20%	7.84%
<i>Russell 2000 + 200bp</i>				-4.54%	0.81%				14.49%				1.64%				5.21%	16.86%	11.64%	21.06%	10.38%
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>183,156</b>	<b>5.0%</b>	<b>5.0%</b>	<b>-5.84%</b>	<b>-0.45%</b>	<b>72,778</b>	<b>5.2%</b>	<b>5.0%</b>	<b>13.24%</b>	<b>72,778</b>	<b>5.3%</b>	<b>5.0%</b>	<b>0.98%</b>	<b>153,233</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.49%</b>	<b>13.58%</b>	<b>9.32%</b>	<b>18.20%</b>	<b>7.86%</b>
<i>Russell 2000</i>				-5.02%	0.64%				13.94%				1.13%				4.69%	14.58%	9.45%	18.70%	8.50%
<b>INTERNATIONAL EQUITY</b>																					
<i>Large Cap - Active</i>																					
Capital Guardian	147,207	4.0%	4.0%	-2.84%	0.26%	56,554	4.0%	4.0%	7.20%	63,333	4.6%	4.0%	9.66%	128,292	4.2%	4.0%	12.14%	28.07%	10.32%	20.99%	6.90%
LSV	141,996	3.8%	4.0%	-1.56%	-3.14%	58,742	4.2%	4.0%	11.23%	56,240	4.1%	4.0%	4.34%	129,248	4.2%	4.0%	11.25%	27.09%	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>289,204</b>	<b>7.8%</b>	<b>8.0%</b>	<b>-2.17%</b>	<b>-1.48%</b>	<b>115,296</b>	<b>8.2%</b>	<b>8.0%</b>	<b>9.20%</b>	<b>119,573</b>	<b>8.7%</b>	<b>8.0%</b>	<b>6.99%</b>	<b>257,540</b>	<b>8.5%</b>	<b>8.0%</b>	<b>11.70%</b>	<b>27.66%</b>	<b>13.23%</b>	<b>21.92%</b>	<b>12.63%</b>
<i>MSCI EAFE - 50% Hedged</i>				-1.29%	0.67%				9.20%				5.84%				11.07%	26.72%	14.41%	22.56%	6.89%
<i>Small Cap - Value</i>																					
Lazard	35,636	1.0%	1.0%	-1.58%	-0.81%	15,143	1.1%	1.0%	10.94%	14,043	1.0%	1.0%	3.01%	30,891	1.0%	1.0%	9.94%	23.65%	18.18%	28.06%	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				-3.13%	-2.20%				9.34%				8.94%				12.05%	29.28%	21.33%	32.40%	N/A
<i>Small Cap - Growth</i>																					
Vanguard	35,723	1.0%	1.0%	-1.88%	-2.15%	14,639	1.0%	1.0%	13.70%	14,500	1.1%	1.0%	4.92%	31,256	1.0%	1.0%	10.41%	29.24%	24.11%	32.39%	N/A
<i>Citigroup Broad Market Index &lt; \$2BN</i>				-3.13%	-2.20%				9.34%				8.94%				12.05%	29.28%	21.33%	32.40%	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>360,562</b>	<b>9.8%</b>	<b>10.0%</b>	<b>-2.18%</b>	<b>-1.57%</b>	<b>145,078</b>	<b>10.3%</b>	<b>10.0%</b>	<b>9.83%</b>	<b>148,117</b>	<b>10.8%</b>	<b>10.0%</b>	<b>6.40%</b>	<b>319,687</b>	<b>10.5%</b>	<b>10.0%</b>	<b>11.40%</b>	<b>27.35%</b>	<b>15.34%</b>	<b>23.83%</b>	<b>8.67%</b>
<i>MSCI EAFE - 50% Hedged</i>				-1.29%	0.67%				9.20%				5.84%				11.07%	26.72%	14.41%	22.56%	6.89%
<b>DOMESTIC FIXED INCOME</b>																					
<i>Core Bond</i>																					
Western Asset	448,997	12.2%	11.7%	-0.34%	0.23%	167,660	11.9%	11.7%	-0.44%	162,022	11.8%	11.7%	0.28%	359,587	11.8%	11.7%	-0.41%	-0.90%	7.14%	7.36%	8.59%
<i>Lehman Aggregate</i>				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	6.80%	2.05%	4.97%
<i>Index</i>																					
Bank of ND	405,077	11.0%	11.7%	-0.03%	0.24%	150,075	10.7%	11.7%	-0.95%	145,773	10.6%	11.7%	0.56%	332,473	10.9%	11.7%	-0.72%	-1.14%	4.59%	1.14%	4.90%
<i>Lehman Gov/Credit (1)</i>				-0.14%	0.23%				-1.01%				0.60%				-0.96%	-1.52%	4.80%	1.04%	4.78%
<i>BBB Average Quality</i>																					
Wells Capital (formerly Strong)	448,253	12.1%	11.7%	-0.63%	0.10%	167,098	11.9%	11.7%	-1.02%	161,685	11.8%	11.7%	0.58%	355,504	11.7%	11.7%	-1.05%	-2.11%	9.14%	2.63%	N/A
<i>Lehman US Credit BAA</i>				-0.60%	0.16%				-1.20%				0.39%				-0.97%	-2.37%	8.60%	2.63%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,302,327</b>	<b>35.3%</b>	<b>35.0%</b>	<b>-0.33%</b>	<b>0.20%</b>	<b>484,834</b>	<b>34.4%</b>	<b>35.0%</b>	<b>-0.79%</b>	<b>469,480</b>	<b>34.2%</b>	<b>35.0%</b>	<b>0.46%</b>	<b>1,047,564</b>	<b>34.4%</b>	<b>35.0%</b>	<b>-0.73%</b>	<b>-1.39%</b>	<b>6.14%</b>	<b>6.59%</b>	<b>7.79%</b>
<i>Lehman Aggregate (2)</i>				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	7.26%	1.84%	5.28%
<b>CASH EQUIVALENTS</b>																					
Bank of ND	1,290,511	35.0%	35.0%	1.26%	0.42%	493,210	35.0%	35.0%	1.17%	467,713	34.1%	35.0%	1.07%	1,063,988	34.9%	35.0%	0.93%	4.50%	2.46%	2.71%	2.42%
<i>90 Day T-Bill</i>				1.16%	0.38%				1.03%				0.92%				0.83%	4.00%	2.15%	2.37%	2.25%
<b>TOTAL INSURANCE REGULATORY TRUST</b>	<b>3,692,049</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.25%</b>	<b>0.13%</b>	<b>1,408,059</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.54%</b>	<b>1,373,472</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.09%</b>	<b>3,045,742</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.27%</b>	<b>5.75%</b>	<b>5.41%</b>	<b>6.91%</b>	<b>5.04%</b>
<i>POLICY TARGET BENCHMARK</i>				-0.20%	0.33%				2.35%				1.50%				1.92%	5.67%	5.43%	6.18%	4.35%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.